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*Attorneys for Plaintiff*

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

ST. LOUIS POLICE RETIREMENT SYSTEM,  
On Behalf Of Itself and All Others Similarly  
Situating and Derivatively on Behalf of Nominal  
Defendant ABAXIS, INC.,

Plaintiff,

v.

CLINTON H. SEVERSON, ALBERTO R.  
SANTA INES, KENNETH P. ARON,  
VLADIMIR E. OSTOICH, DONALD P.  
WOOD, MARTIN V. MULROY, RICHARD J.  
BASTIANI, MICHAEL D. CASEY, HENK J.  
EVENHUIS, PRITHIPAL SINGH, VERNON  
E. ALTMAN, AND ERNEST S. TUCKER,

Defendants,

and

ABAXIS, INC.

Nominal Defendant.

**CASE NO. 12-CV-05086-YGR**

**[PROPOSED] ORDER PRELIMINARILY  
APPROVING SETTLEMENT AND  
PROVIDING FOR NOTICE**

**[PROPOSED] ORDER PRELIMINARILY APPROVING  
SETTLEMENT AND PROVIDING FOR NOTICE**

WHEREAS, Plaintiff has made an application for an order (i) preliminarily approving the settlement of the above-captioned action (the “Action”), in accordance with the Stipulation of Settlement dated January 16, 2014 (the “Stipulation” or “Settlement”), which, together with the exhibits annexed thereto, sets forth the terms and conditions of a proposed Settlement and dismissal of the Action with prejudice, upon the terms and conditions set forth therein; and (ii) approving distribution of the Notice of Proposed Settlement (attached to the Stipulation as Exhibit B);

WHEREAS, Defendants consent to the entry of this Order;

WHEREAS, all capitalized terms contained herein shall have the same meanings as set forth in the Stipulation (in addition to those capitalized terms defined herein); and

WHEREAS, this Court, having considered the Stipulation and the exhibits annexed thereto:

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. This Court does hereby preliminarily approve, subject to further consideration at the Settlement Hearing described below, the Stipulation and the Settlement set forth therein, including the terms and conditions for settlement and dismissal with prejudice of the Action.

2. For purposes of the Settlement only, and pending the Settlement Hearing (defined below), the Action is provisionally certified as a mandatory non-opt-out class action pursuant to Federal Rules of Civil Procedure 23(a), 23(b)(1) and 23(b)(2), on behalf of a class consisting of all persons and entities that held common stock in Abaxis as of the close of business on August 31, 2012, which represents the record date for the shareholders entitled to vote at Abaxis’s October 24, 2012 Annual Meeting (excluding the Individual Defendants, members of the immediate family of any Individual Defendant, and any person, firm, trust, corporation, or other entity related to, or affiliated with, any Individual Defendant (“Excluded Persons”), and the legal representatives, heirs, successors or assigns of any such Excluded Person) (the “Class”). For purposes of the Settlement only, Plaintiff St. Louis Police Retirement System shall be certified as the representative of the Class.

1           3.     A hearing (the “Settlement Hearing”) shall be held before this Court on \_\_\_\_\_,  
2     2014, at \_\_\_\_\_.m., at the Oakland Courthouse, Courtroom 5, 2nd Floor, 1301 Clay Street, Oakland,  
3     CA 94612, to determine: (1) whether the Settlement of the Action on the terms and conditions  
4     provided for in the Stipulation is fair, reasonable and adequate to Abaxis and Abaxis shareholders  
5     and should be finally approved by the Court; (2) whether a Final Order and Judgment as provided in  
6     ¶1.5 of the Stipulation should be entered herein, and (3) whether to approve Plaintiff’s Counsel’s  
7     application for an award of attorneys’ fees and reimbursement of expenses (the “Fee Award”).

8           4.     The Court approves, in form and content, the Notice (attached to the Stipulation as  
9     Exhibit B) and finds that the distribution of the Notice substantially in the manner and form as set  
10    forth in Exhibit B and in Paragraph 5 of this order meets the requirements of due process and all  
11    other applicable laws, is the best notice practicable under the circumstances, and shall constitute  
12    due and sufficient notice of the matters set forth therein for all purposes to all Persons entitled to  
13    such notice.

14          5.     Not later than ten (10) calendar days following entry of this Order, Abaxis shall  
15    disseminate the Notice to Abaxis shareholders by causing the Notice to be filed with the United  
16    States Securities and Exchange Commission on Form 8-K.

17          6.     At least twenty one (21) calendar days prior to the Settlement Hearing, Abaxis’s  
18    counsel shall serve on Plaintiff’s Counsel and file with the Court an appropriate affidavit attesting  
19    to compliance with the Notice procedure set forth in this Order.

20          7.     All Abaxis shareholders shall be bound by all orders, determinations and judgments  
21    in the Action concerning the Settlement, whether favorable or unfavorable to Abaxis shareholders.

22          8.     Pending final determination of whether the Settlement should be approved, no  
23    Abaxis shareholders, either directly, representatively, derivatively, or in any other capacity, shall  
24    commence or prosecute against any of the Defendants, any action or proceeding in any court or  
25    tribunal asserting any of the Released Claims.

26          9.     All papers in support of the Settlement, including Plaintiff’s Counsel’s application  
27    for a Fee Award, shall be filed with the Court and served at least thirty-five (35) calendar days prior  
28    to the Settlement Hearing.

10. All papers in opposition to the Settlement, including Defendants' Counsel's opposition to Plaintiff's Counsel's application for a Fee Award, shall be filed with the Court and served at least fourteen (14) calendar days prior to the Settlement Hearing.

11. Plaintiff's Counsel's reply brief, if any, shall be filed with the Court and served at least seven (7) days prior to the Settlement Hearing.

12. Any Abaxis shareholder may appear and show cause if he, she or it has any reason why the terms of the Stipulation, the Settlement of the Action, and/or the Fee Award should not be approved as fair, reasonable and adequate, or why a Final Order and Judgment should not be entered thereon, provided, however, unless otherwise ordered by the Court, no Abaxis shareholder shall be heard or entitled to contest the approval of all or any of the terms and conditions of the Stipulation, the Settlement, and/or the Fee Award, or, if approved, the Final Order and Judgment to be entered thereon approving the same, unless that Person has, at least twenty-one (21) calendar days prior to the Settlement Hearing, filed with the Clerk of the Court and delivered upon the following counsel (delivered by hand or sent by first class mail) (1) a written objection to the Settlement setting forth: (a) the nature of the objection; (b) proof of current ownership of Abaxis common stock, including the number of shares of Abaxis common stock currently held and the date of purchase of Abaxis common stock; and (c) any documentation in support of such objection; and (2) if a current Abaxis shareholder intends to appear and requests to be heard at the Settlement Hearing, such shareholder must have, in addition to the requirements of (1) above, (a) a written notice of such shareholder's intention to appear; (b) a statement that indicates the basis for such appearance; and (c) the identities of any witnesses the shareholder intends to call at the Settlement Hearing and a statement as to the subjects of their testimony, signed as authorized by the objecting shareholder, and copies of any papers and briefs in support thereof:

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*Counsel for Plaintiff St. Louis Retirement System*

and

Thad A. Davis  
GIBSON, DUNN & CRUTCHER LLP  
555 Mission Street, Suite 3000  
San Francisco, CA 94105

*Counsel for Individual Defendants*

The written objections and copies of any papers and briefs in support thereof to be filed in Court shall be delivered by hand or sent by first class mail to:

CLERK OF THE COURT  
Oakland Courthouse  
1301 Clay Street  
Oakland, CA 94612

Any Abaxis shareholder who does not make his, her or its objection in the manner provided herein shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the Settlement as incorporated in the Stipulation and to the Fee Award, unless otherwise ordered by the Court, but shall otherwise be bound by the Final Order and Judgment to be entered and the release to be given.

13. The provisions contained in the Stipulation (including any exhibits attached thereto) shall not be deemed a presumption, concession, or admission by any Party of any fault, liability, or wrongdoing, or lack of merit as to any facts or claims alleged or asserted in the Action or in any other action or proceeding, and shall not be interpreted, construed, deemed, invoked, offered, or received into evidence or otherwise used by any person in the Action or in any other action or proceeding, whether civil, criminal, or administrative, except in connection with any proceeding to enforce the terms of the Settlement.

14. All proceedings in the Action, other than as may be necessary to carry out the terms and conditions of the Settlement, are hereby stayed and suspended pending final determination of whether the Settlement provided for in the Stipulation shall be approved. Plaintiff and Abaxis shareholders, or any them, are hereby barred and enjoined from commencing, prosecuting,

1 instigating, continuing, or in any way participating in the commencement or prosecution of any  
2 action, in any forum, asserting any Released Claims against any of the Released Persons.

3 15. The Court reserves the right to adjourn the date of the Settlement Hearing or modify  
4 any other dates set forth herein without further notice to the Abaxis shareholders, and retains  
5 jurisdiction to consider all further applications arising out of or connected with the Settlement.

6 16. The Court may approve the Settlement, with such modifications as may be agreed to  
7 by the Parties, if appropriate, without further notice to Abaxis shareholders.

8 IT IS SO ORDERED.

9  
10 DATED: \_\_\_\_\_

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